AMENDMENT

It is hereby agreed by and among the **State of Vermont, Department of Vermont Health Access** (hereinafter called "State"), **DXC Technology Services LLC** a Limited Liability Company with a principal place of business in 1775 Tysons Blvd, Tysons, VA 22102 (hereinafter called "Contractor"), that the Contract between the State and Contractor dated as of January 1, 2017 and as amended to date is hereby amended effective April 1, 2018 as follows:

1. **Maximum Amount.** The maximum amount payable under this contract, wherever such references to the maximum amount appear in said contract shall be changed from $45,325,222.26 to $49,777,684.26; an increase in the amount of $4,452,462.

2. **By deleting Section 4 (Contract Term) on page 1 of 107 of the base agreement and substituting in lieu thereof the following Section 4:**

   4. Contract Term. The period of Contractor's performance shall begin on January 1, 2017 and end on December 31, 2019. This Contract may be extended at the option of the State for up to two (2) one-year renewals.

3. **Attachment A, Section III (Additional One-time, Ongoing, and Future MMIS Modernization Projects), as previously amended, is hereby deleted in its entirety and replaced with the following:**

   III. Additional One-time, Ongoing, and Future MMIS Modernization Projects

   This section provides a summary of MMIS projects that are planned, in progress, and previously completed. The Change Management process will be followed for State authorization of the Contractor's project work outlined in this section. This work is not included in the base scope detailed within Section I and II of this Attachment A or included in the base price detailed within Attachment B. The State, at its sole discretion and upon availability of funding, may choose to initiate, continue, or stop work under any of these projects independently or otherwise. The parties will agree to the timing and schedule of each of these projects.

   The Contractor will produce a monthly bill for the actual hours worked each month. Any work performed in excess of the maximum hours set forth in the tables in subsections A-H below will require approval by the State prior to the Contractor performing the additional hours. The bill will include the hours used for each activity listed. The Contractor will be reimbursed at the CSR hourly rate described in Attachment B, unless the parties have agreed the project will be performed for a fixed price.

   The Contractor must employ accessibility standards, processes, and commercially reasonable practices and apply these to all end-user applications. As independent external IT delivery methodologies and standards (such as those listed in Section II.D.a) are modified, commercially reasonable practices shall be enhanced and applied to any projects affected.

   A. Provider 6028 Project

   The VT Provider 6028 Project concluded in April 2017 and was supported by an Implementation Advance Planning Document (IAPD) with CMS. There is no further work planned for this project and the Contractor shall make no further claim for payment for this project.

ACA Rule 6028 introduced guidelines to State Medicaid Agencies regarding Provider Credentialing and Certification for Providers who are participating and being reimbursed by the Medicaid program. This project identified and performed several enhancements to the MMIS system and identified process changes to meet these compliance guidelines.

The Provider project scope included detailed process analysis, systems design, construction, testing, and project management of required enhancements in the following areas:

Item #	Item	Billing	Provider 6028 Project Description
1	**MMIS LexisNexis File Exchange**	$0.00	MMIS System and Integration Testing Phase of the LexisNexis File Exchange process and LexisNexis Base Package Files. MMIS Construction, System and Integration Testing of the Advanced Package Files. Ref. 42 CFR § 455.412(a)(b), § 455.436, § 455.452
2	**Collection of Provider Enrollment Fees**	$0.00	Create a Manual Process for Collecting of Provider Enrollment Fees and MMIS modification to create a new screen to capture if they have paid the fee to Medicare, to another Medicaid program, or to Vermont Medicaid. Create new financial transactions to capture the enrollment fee under the refund functionality in the MMIS. Assumption: Estimate assumes a manual process for updating the new Enrollment Fee information in the MMIS. Ref. 42 CFR § 455.46
3	**LexisNexis – MMIS Automated Processes**	$2,360.94	The **Provider Updates 2014** Project introduced the LexisNexis Advanced Package of data files to the MMIS. This item is to build upon the data available in these files. The Contractor will work with the State to review data in the post-production data feeds and recommend processes to automate data updates in the MMIS. Possible items that could be built under this item include: Updating Provider License Expiration Dates, Updating Provider DEA, and DEAX Expiration Dates, Adding/Updating/Deleting Provider Service Address Information, Modification to Provider Risk Assessment Level, etc. Ref. 42 CFR § 455.412(a)(b), § 455.436
4	**Automated Welcome Letters and Revalidation Acknowledgement Letters**	$434.20	Welcome Letters are manually generated when new Providers are enrolled in the Vermont Medicaid Program. There are four different types of letters generated. A new requirement to the MMIS is to generate an acknowledgement when a provider revalidates their credentials and renews their enrollment in the Vermont Medicaid Program. This item is to automate the generation of both the Welcome Letters

Item #	Item	Billing	Provider 6028 Project Description
			and the Revalidation Acknowledgement Letters.
5	**Fingerprint Background Screenings for Providers and Disclosing Entities**	$0.00	This item includes time to incorporate Fingerprinting into the MMIS Provider Credentialing Process. There is not currently enough information at this time to provide a detail analysis of impacts to the MMIS. Estimate includes efforts to create a Screen to capture those providers who have been Fingerprinted, when that occurred, and simple Provider Reports to list the new Fingerprinting data. Assumption: Estimate assumes a manual process for updating the Fingerprinting data in the MMIS. (DAIL's Fingerprinting Efforts is separate from the MMIS Fingerprinting efforts/process.) Estimate does not include any cost associated with Third Party Vendors which may be necessary to perform Fingerprinting and the background checks. Ref. 42 CFR § 455.434 (a) and (b)(1)(2) and § 455.450
Total Project Cost			**$2,795.14**

B. Medical Assistance Provider Incentive Repository (MAPIR) Core Development

The VT MAPIR Project is supported by an existing, approved Implementation Advance Planning Document (IAPD).

The State participates in the development of the core MAPIR application in coordination with multiple states. The scope of Core MAPIR is for software enhancements due to CMS requirement changes, and for deployment of the Core MAPIR application updates and patches. Core MAPIR development payments will be invoiced a quarterly basis at amounts indicated within Attachment B. Pricing may be adjusted if the number of members in the MAPIR Collaborative increases or decreases.

C. Vermont Specific MAPIR Integration/Customization

The scope of this effort is specific to the integration of the Core MAPIR enhancements into the Vermont MMIS environment; any associated custom effort required for Vermont specific needs and ongoing technical production activities.

The Installation and Customization of Core MAPIR releases consists of the following activities. The project budget for the duration of the contract, is based on the annual estimates below:

MAPIR Customization Activity	Annual Hour Maximums	Contract Hour Maximum
Environmental Changes (DB2, Websphere/Stored procedures)	120	360
MAPIR Installation	120	360
State Configuration	80	240

Additional Customization	300	900
Project Management	300	900
Testing	120	360
Subtotal	**1,040**	**3,120**
Technical Support of VT production environment	500	1,500
Annual Customization Hours	**1,540**	**4,620**

D. APM ("All Payer Model") Project

Vermont is currently adopting Medicaid payment reform, in alignment with the CMS Next Generation ACO ("Accountable Care Organization") Model for Medicare. MMIS claims processing application supported by the Contractor will be modified and configured to support capitated payments to one or more Vermont ACO's. The EVAH ("Enhanced Vermont Ad-Hoc") reporting tools and reports will be updated to provide the reporting required to support the ACO program as well as continued reporting for Fee for Service claims.

The following table provides the high-level descriptions for scope of the Contractor systems work and initial estimates for each area. As of August 2017, there is no further work planned for this project and the Contractor shall make no further claim for payment for this project.

Systems Area	Description of Changes
MMIS Reporting	Update MMIS-generated reporting for state audit reporting, T-MSIS, and others as needed
EVAH (user-generated) Reporting	This scope of work was determined to be not required for scope of the project.
Contractor Project Management	Project management and status reporting.
Provider Outreach and ACO Support	Additional Provider outreach and documentation during transition to ACO payment model; ACO documentation and training
Support for Operational Readiness	Contractor support of operational readiness phase activities with the State
Project Contingency	State management reserve for mitigating risks due to unknown requirements, including changes due to future contract negotiation with ACO.
Billing January through July 2017	**$117,142.46 (971.25 hours)**

E. Medicaid Pathways

MMIS enhancement work for Medicaid Pathways project would require future definition and funding through a contract amendment or other work authorization mechanism.

The State of Vermont, Health Care Innovation Project is funding a workgroup to develop options for an organized delivery system for serving individuals with Mental Health, Substance Abuse Treatment, and Developmental Service needs. This project is also referred to as Medicaid Pathway to and Integrated Health Care System.

MMIS system enhancements will be required for the State to implement the resulting approved delivery system design.

Medicaid Pathways Activity	Hour Estimates
Project Management	100
Analysis and Design	500
Subtotal Hours Estimate	**600**

F. New Medicare Card Project

The State has submitted an IAPD to CMS for support of the Medicare Card project, including work that will need to be done in the MMIS system.

Congress passed the MACRA ("Medicare Access and Children's Health Insurance Program Reauthorization Act") of 2015 (PL 114-10) on April 16, 2015. Section 501 of MACRA requires CMS to remove the Social Security Numbers (SSNs) from Medicare cards and replace with a MBI ("Medicare Beneficiary Identifier").

In order for states to be fully compliant, policies and systems must be examined, and the appropriate changes identified, and modifications tested prior to CMS distributing new Medicare cards (est. April 2018). MMIS will require modification to integrate with other State systems in order to accommodate the load, storage, display, and reporting of a new MBI identifier for members. The project timeline for MMIS project changes will align with the schedule proposed in the IAPD. Construction and functional systems testing of MMIS will occur in September 2017 through March 2018, with integration testing and implementation activities for MMIS changes occurring in January through May of 2018.

Summary

Medicaid Card Project – VT MMIS System Changes	Developer	Analyst
REQUIREMENTS DEFINITION AND ANALYSIS CONSTRUCTION AND TESTING BATCH	40	10
Produces the rekr650v report - Medicare Suspect Recipient. Ran Monthly and contains the HICN.	15	5
Processes the daily medi.dat file that contains the HICN.	25	5
Processes the daily eligibility file containing the HICN.	25	5

Creates the PDP 820 Premium file that contains the HICN.	20	5
Creates the PDP Premium Remittance Report that contains the HICN. Mailed to PDPs.	20	5
Creates the Medicaid Remittance Advice. Claims that are denied for Medicare on the RA have the members Medicare ID printed on the RA.	20	5
Creates the GCR recipient extract that contains the HICN.	20	5
Uses the presence of a HICN to set a recipient Medicare indicator to a 1 in the t_recipient_info table in EVAH.	20	5
TMSIS file creation, includes the HICN.	30	5
TMSIS file creation, includes the HICN from crossover claims that have it.	30	5
TMSIS Inpatient file creation, includes the HICN from crossover claims that have it.	30	5
TMSIS Nursing Home file creation, includes the HICN from crossover claims that have it.	30	5
TMSIS Other file creation, includes the HICN from crossover claims that have it.	30	5
TMSIS Pharmacy file creation, includes the HICN from crossover claims that have it.	30	5
Creates the COBA file sent to Medicare monthly that contains the members HICN.	15	5
Creates the COBB file sent to Medicare monthly that contains the members HICN.	15	5
Screens		
Recipient LIS Information - Displays the HIC #	35	5
Recipient Header - Displays and allows query by the HIC #	35	5
Recipient Base - Displays and allows query by the HIC #	35	5
Other Insurance - Displays the HIC #	35	5
Tables		
t_re_medcr_id table	5	2
IMPLEMENTATION SUPPORT	40	
PROJECT MANAGEMENT		40
Subtotal Change Effort Hours	**600**	**152**
Total Hours		**752**

G. TMSIS Reporting Enhancement Project

The State is submitting an updated APD to account for the work across systems, to provide additional TMSIS data elements. Effort is planned for enhancements to derive and obtain additional data to include in TMSIS reporting, and to install planned quarterly releases of the DXC

Common Solution into the VT systems environment. The Common Solution provides common TMSIS database structures and includes programs to generate the CMS monthly submissions. Using this common code reduces the overall cost to CMS and to the State.

The defined Project work as identified in the tables below is estimated to be completed within 15 months of project start date, pending CMS authorized start date for IAPD funded work. In addition, a budget is established for monthly quality analysis, design, and implementation of further improvements to TMSIS data. This Quality Analysis and Improvements budget will enable ongoing assessment with CMS and its vendors for future enhancements beyond those identified to-date.

Summary

Quality Analysis and Improvements	Duration	Hours
2018 Monthly Quality Analysis and Improvements	12 months	720
2019 Monthly Quality Analysis and Improvements	12 months	720

Project Subtotals of Effort	Duration	Hours
GAP Compliance	4 months	645
Addendum B Table 3	10 months	2070
Common Solution Integration	15 months	940
Total Project hours	**15 months**	**3655**

GAP Compliance Report Items	Duration	Hours
Requirements Analysis	2 weeks	60
Construction and Testing	3 months	525
Implementation	2 weeks	60
Total GAP Hours	**4 months**	**645**

Addendum B Table 3 Items	Duration	Hours
Requirements Analysis	2 weeks	60
Construction and Testing	8 months	1960
Implementation	2 weeks	50
Total Addendum B Hours	**10 months**	**2070**

Common Solution Items	Duration	Hours
Requirements Analysis	2 weeks	60
RELEASE V2.0.00	3 months	200
RELEASE V2.0.01	3 months	200
RELEASE V2.0.02	3 months	200
RELEASE V2.0.03	3 months	200
Implementation	2 weeks	80

Total Common Solution Hours	15 months	940

H. Presumptive Eligibility (PE) Project

Vermont hospitals may determine presumptive eligibility as allowed under 42 CFR 435.1110. The State is providing Medicaid coverage for individuals under this provision, consistent with Vermont DCF Health Benefits Eligibility and Enrollment rule 66.04. Enhancements to the MMIS system are needed to align with ACCESS eligibility system enhancements, where MMIS will receive, for purposes of claims processing, an eligibility record with one of multiple new aid categories to identify members who have received presumptive eligibility. MMIS eligibility inquiry features and financial reporting will also be updated, to provide presumptive eligibility information.

Summary	Developer	Analyst/PM
REQUIREMENTS DEFINITION AND ANALYSIS	40	20
CONSTRUCTION AND TESTING		
UPDATE MMIS COPAY LOGIC TO EXCLUDE PRESUMPTIVE ELIGIBILITY AID CATEGORY	3	3
ADD 2 FINANCIAL REPORTING NEW SUB BUCKETS UNDER GLOBAL COMMITMENTS FOR PE	25	15
ADD NEW AID CATERGORIES FOR PRESUMPTIVE ELIGIBILITY PROGRAM	50	20
MODIFY THE DAILY ELIGIBILITY FEED TO ACCEPT FOUR NEW AID CATEGORY CODES	10	5
MODIFY ELIGIBILITY VERFICATION SYSTEMS TO ACCOMMODATE NEW PRESUMPTIVE ELIGIBILITY PROGRAM	25	10
IMPLEMENTATION SUPPORT	40	
Subtotal Change Effort Hours	193	73
Total Hours		**266**

I. Medicare Grant Project

MMIS will process the Medicare Blueprint and Community Health Team (CHT) payments on behalf of the State through a Medicare Grant effective 1/1/2017. The funds will come from CMS for Medicare beneficiaries and the State will pay the providers on behalf of Medicare.

The following enhancements to MMIS are being completed via State only funding. A one-time amount of $13,200 will be invoiced, upon completion and promotion to MMIS production of these changes:

- The MMIS will use Medicare Blueprint rates each month to generate lump sum Medicare Blueprint payments. The Medicare CHT payments will be processed quarterly.
- A special program payment type and financial reason codes will identify the payments.
- The MMIS screen Provider Special Program (PRSP) will be used to enter and maintain the providers who are eligible for the Medicare Blueprint and CHT payments and the Reference Special Program Rates (RFSP) screen will be used to enter and maintain the

rates.

- Two new special program payment types (BM – Blueprint Medicare, CM – CHT Medicare) and two financial reason codes will be assigned to the payments. (Financial Reason Code 361- Medicare Blueprint Payment and 362 – Medicare CHT Payment)
- The FBR (Financial Balancing Report) will be updated to report the Medicare Blueprint and CHT payments in the "Federal" bucket, sub-bucket of None.

J. Technology Updates

Due to the age of current technologies and known business drivers, the following areas of MMIS technology have been identified as needing to be addressed within the first twenty-four months of this Contract term. These projects will require additional definition and funding through a contract amendment, change order, or other work authorization mechanism.

i. **Enhance report generation and analytic capabilities**
The Contractor will update the commercial software technology and configuration of the tools used for ad-hoc queries and reporting of MMIS Claims and Provider data, as performed by the State and the Contractor's employees. Change Request hours from the annual hours budget included in the fixed price amount, may be authorized by the State for performance of this work.

ii. **Migrate MMIS report and document archival to the standardized Content Management (CM) platform:** In support of the State's HSEP ("Health Services Enterprise Platform"), the Contractor shall migrate to a standard Content Management solution for storage of MMIS documents including claims facsimiles and MMIS-generated operational reports. The current IBM OnDemand (third party) software and server platform is at end-of-life for Contractor support.

Content Management	ıdgetary Hour Estimates
Analysis and Design, including records management evaluation	500
Construction and Testing, integration of MMIS with standard CM services	1200
Project Management	258
Subtotal Hours Estimate	**1,958**

K. Enhanced EDI Services Migration Project

i. Project Summary

The State anticipates submitting an IAPD to CMS for support of a project to migrate to an enhanced Electronic Data Interchange (EDI) service.

In support of ongoing processing of claims and other ASC ("Accredited Standards Committee") X12 EDI standard health insurance transactions, and in compliance with ACA

1104 required CAQH CORE Operating Rules, the Contractor shall prepare for updated EDI transaction standards and requirements. A technical need exists to migrate State of Vermont transaction processing from the current SAP Sybase (third-party) software platform, and associated Contractor "EDI Shared Translator" services. The Sybase ECRTP translator software is no longer being offered as a commercial product by the vendor SAP. This lack of support poses risks to current Operations as well as to the ability to meet future federal requirements. The Contractor shall migrate the Vermont MMIS to interface with a new EDI Software as a Service (SaaS) solution, as an initial project phase in advance of a second phase to implement new transaction standards (once finalized).

The Enhanced EDI Software as a Service (SaaS) solution is based on IBM Commercial Off-The-Shelf (COTS) software and is currently utilized by multiple other state Medicaid programs. Compliance checking will comply with the Workgroup for Electronic Data Interchange (WEDI) Strategic National Implementation Process (SNIP) WEDI/SNIP types, at currently supported State of Vermont SNIP types for EDI transactions identified below.

ii. Transaction Scope

EDI compliance and translation support is currently provided for the following inbound batch transactions for trading partner file exchange with the Vermont MMIS (AIM) System, and will continue to be provided with the enhanced EDI solution:

- 270 Health Care Eligibility Benefit Inquiry
- 276 Health Care Claim Status Request
- 837D Health Care Claim - Dental
- 837I Health Care Claim - Institutional
- 837P Health Care Claim – Professional
- Payer Initiated Eligibility/Benefit (PIE) Transaction (X279A1)

EDI compliance and translation support is currently provided for the following outbound batch transactions for trading partner file exchange with the Vermont MMIS (AIM) System, and will continue to be provided with the enhanced EDI solution:

- 271 Health Care Eligibility Benefit Response
- 277 Health Care Claim Status Response
- U277 Unsolicited Claims Status Response
- 820 Health Insurance Exchange Related Payments
- 835 Health Care Claim Payment Advice
- 999 Implementation Acknowledgement

EDI compliance and translation support is currently provided for the following real-time transactions for trading partner file exchange with the Vermont MMIS (AIM) System, and will continue to be provided with the enhanced EDI solution:

- 270 Health Care Eligibility Benefit Inquiry
- 271 Health Care Eligibility Benefit Response
- 276 Health Care Claim Status Request
- 277 Health Care Claim Status Response
- 999 Implementation Acknowledgement

The following non-standard file formats will be provided in conjunction with the enhanced EDI SaaS solution:

- Proprietary format of remittance advice files, equivalent to those currently provided in addition to the 835 RA files.
- Proprietary HTML file format for batch acknowledgements, to contain same information as in the 999 acknowledgements in a browser (i.e. human) readable format.

System-to-System File Exchange is currently provided in compliance with CAQH 'Safe Harbor' Phase I, II, and III CORE operating rules. The enhanced EDI Service will remain compliant with current and future required CAQH CORE operating rules and Phases, as federally required. The enhanced EDI Service will provide equivalent web-based, compliant file exchange services on a new platform.

iii. Implementation Scope

The following areas of technical work will be performed by the Contractor, to migrate from the current EDI shared service to the enhanced EDI SaaS service. A combination of leveraged EDI services team and account-based technical and operations staff, will perform this work:

- Installation and Configuration of Model Office, User Acceptance, and Production environments for enhanced EDI services, including all required IT infrastructure and software.

- Design, Construction, and Testing of interfaces between the enhanced EDI solution and Vermont MMIS AIM systems, for batch and real-time EDI transaction processing.

- Modification of existing MMIS AIM system programs, to accept and produce standard XML file formats for exchange of transaction files and trading partner authentication data with the enhanced EDI service. This work will allow utilization of reusable, common EDI translation maps, thereby reducing current and future customization efforts. Local customization required will be done outside of the common maps.

- Systems integration testing will occur in the MMIS Model Office environment, to execute planned functional testing for in-scope transactions and interfaces. Production EDI files will be used for high-volume testing, to maximize test coverage for the myriad of possible transaction data combinations.

- A two-month window for trading partner testing will occur in the User Acceptance Test EDI and MMIS test environment. Trading partner testing will be enabled via MMIS systems such as the Provider Portal website and supported by the Contractor EDI coordinator and Contractor technical staff. Trading partners will be encouraged through Provider communication and outreach, to submit test transactions to ensure readiness.

iv. Timeline

The detailed work plan will define a six-month schedule for implementation activities, to be followed by a two-month trading partner testing window. All days referenced are based on calendar days. Upon the go-live implementation date, Vermont trading partners will begin use of the production version of enhanced EDI services. The start of the project will begin on a date agreed to by the Contractor and the State, and as supported by an approved CMS Implementation APD plan.

v. Deliverables

The following deliverables shall be produced by the Contractor for the EDI migration project:

- A detailed Project Work Plan (i.e. Project Schedule), in Microsoft Project format, by day 30 of the implementation project.
- EDI Interface Design documents, for integration between the enhanced EDI Service and existing MMIS systems, by day 60 of the implementation project.
- Transaction crosswalk design documents, for identifying X12 field level requirements, by day 90 of the implementation project.
- A Systems Test Plan and related test artifacts, to document the systems integration, interface, and trading partner testing scope and detailed test cases. A final version of this deliverable will include pass/fail test results, to be provided to the State for review no later than end of month six (6) of the implementation timeline.
- Updated EDI-related business documentation where necessary, for Provider-facing information and instructions on use of EDI services, to be provided to the State for review no later than end of month six (6) of the implementation timeline.
- Provider communications activities and deliverables will be jointly agreed upon with the State and identified in the detailed Project Work Plan deliverable.

vi. Implementation Budget

The project budget for implementation of the enhanced EDI service is planned as fixed price, one-time costs to be invoiced based on State acceptance of the following schedule of deliverables.

Enhanced EDI Service Implementation Deliverable	Schedule	Fixed Price Charge
Acceptance of Project Work Plan, EDI Interface Design, and transaction crosswalk deliverables; EDI Service Model Office and UAT test environments are installed	Month 4	$100,000
Implementation Project Complete, Trading Partners migrated to enhanced EDI Service, all Project deliverables accepted	Month 8	$250,000
Total One-Time Costs		**$350,000**

L. Provider Services Enhancement Project

The Provider Management Module (PMM) is a project under the Medicaid Management

Information System (MMIS) Program and is part of the overall MMIS Road Map as presented to the Centers for Medicare and Medicaid Services (CMS). The PMM project is a high priority legislative initiative aimed to reduce the timeframe to enroll Medicaid Providers. The bill that has been introduced is S.282, https://legislature.vermont.gov/bill/status/2018/S.282. The bill requires the State to complete screening and enrollment for an applicant to be a participating provider in the Medicaid program within 60 calendar days after receiving the application, direct the Department to identify and report on the main concerns of the participating providers and to make recommendations for any necessary changes to the Medicaid fraud and abuse statutes. Further specifications are defined in Exhibit 3 to Attachment A.

The Contractor will deliver the enhanced Provider Services Solution as Software (SaaS), which will be utilized by providers, by the State as well as by the Contractor in continued performance of the Contractor's Providers services fiscal agent (FA) responsibilities as described in Attachment G, Provider Services Enhancement Project Scope of Work.

The project budget for implementation of the Provider Services Solution as Software (SaaS) is planned as fixed price costs to be invoiced based on State acceptance of the following schedule of deliverables:

DDI Phase	Deliverables Included	Payment	Timing
Planning and Installation	Install Test Environments Project Management Plan Quality Management Plan Data Conversion Specifications Testing Artifacts – initial version Training Plan	$450,000	Month 3
Integration Testing and User Acceptance Testing	Business Configuration Specifications Documentation Testing Artifacts – Final Versions Requirements Traceability Matrix (RTM) Training Rosters	$722,826	Month 7
Implementation	Operational Checklist and Results Solution Documentation for Software Modules Interface and Deployment Specifications	$1,150,000	Month 10
Certification	Certification Management Plan CMS Certification Checklists deliverables Certification Acceptance	$700,000	Month 16
Total		**$3,022,826**	

4. By deleting within Exhibit 2 Service Level Requirements, Section A (Provider Service Level Metrics) beginning on page 54 of 106 of the base agreement and substituting in lieu thereof the following Exhibit 2, Section A:

A. Provider Service Level Metrics

Req #	SLR NAME	SERVICE LEVEL REQUIREMENT	SERVICE LEVEL REQUIREMENT DEFINITION	FREQUENCY
1.1.1	Provider Services	Return all calls within 48 hours	Provide the State with monthly reports on all calls received and answered. Provide call metrics to include Average Speed of Answer (ASA) and Average Handle Time (AHT)	Monthly
1.1.2	Provider Services	Resolve and close all open call logs within 14 days excluding time, when call or inquiry is sent to State for resolution	Provide weekly reports on call log status, include those awaiting State resolution.	Weekly
1.1.3	Provider Services	Respond to all written inquiries within 14 days of receipt, sent to the State no later than the 15th day, excluding the time lost when the inquiry is sent to State for resolution	Provide weekly reports on timeliness of all Provider Reconsideration requests including those pending resolution from State.	Weekly
1.1.4	Provider Services	Maintain provider call center Monday through Friday from 8:00 am. to 5:00 pm	Provide the State with any exceptions to call center operational hours other than State Holidays	As Required by the State
1.1.5	Provider Services	Maintain call abandon rate of less than 10%	Provide the State with monthly reports on call abandonment rates	Monthly
1.1.6	Provider Survey	90% of Providers surveyed rate Contractor provider call center services and provider relations	Perform annual provider satisfaction survey sent to minimum of 1,000 providers. Provide	Annually

		representative's services as satisfied or very satisfied.	State with summary of results within 60 days of completing survey	
1.1.7	Provider Enrollment	Process all new and/or revalidation enrollment requests submitted electronically via Provider Portal within 30 business days of receipt	Provide the State with a monthly report on the timeliness of enrollments	Monthly

5. By adding to Attachment A the following Exhibit 3 (Provider Services Enhancement Project Statement of Work):

Exhibit 3: Provider Services Enhancement Project Scope of Work

1.0 Provider Services Enhancement Project

This Scope of Work (SoW) defines the work to be performed, the responsibilities of the Parties, and key assumptions and terms guiding the implementation project (the "Project") for delivery of the enhanced Provider Services Solution as software as a service (the "Solution").
The Provider Management Module (PMM) is a project under the Medicaid Management Information System (MMIS) Program and is part of the State's MMIS Road Map as presented to the Centers for Medicare and Medicaid Services (CMS). The PMM project is a high priority response to a State legislative initiative aimed to reduce the timeframe to enroll Medicaid Providers.

2.0 Purpose and Scope

The purpose of the project is to complete the following objectives:

A. Reduce the Provider enrollment time from an average of 120 days to under 30 days.

B. Simplify data entry for Providers from a paper-based process to a web-based portal.

C. Automate business processes and provide improved metrics and visibility between Contractor and State.

D. Establish compliance with current and future federal regulations, avoid State spend on future enhancements.

E. Establish a foundation for alignment and service-oriented architecture (SOA) integration with Medicaid Information Technology Architecture (MITA) and Agency of Human Services (AHS) enterprise.

F. Certify the PMM with CMS.

This attachment sets forth the terms and conditions under which the Contractor agrees to provide, configure, integrate, and implement for the State the Solution. See the Definition of Terms section for descriptions of terminology used to further define the scope of the Project and the Solution.

2.1 Contractor Services Summary

The Contractor will deliver the Solution, which will be utilized by Providers, by the State, as well as by the Contractor in continued performance of the Contractor's Provider services fiscal agent (FA) responsibilities. The Solution provides the following:

A. Provider enrollment, re-enrollment, revalidation, and data maintenance automated workflow processes, configured to meet State policies and CMS regulations related to Provider Management and Eligibility and Enrollment MITA business areas. The Solution is implemented as software modules including the Provider Management module, Provider Screening Service module, and Provider Portal module.

B. Online, self-service enrollment application wizard and data maintenance features for Providers, via the Contractor's Provider Portal software module. The Solution features allow SoV compliant browser-based access for Providers to submit Vermont enrollment and revalidation requests and enable Providers to check status of their applications after submission.

C. Provider screening service is integrated with the enrollment wizard portal feature and Provider Management modules, to accomplish automated enrollment and revalidation screening and dramatically shorten the time to enroll Vermont Medicaid Providers. The Screening Service includes automatically retrieving data where available, to screen potential and existing Providers against required federal and State exclusion records, State licensure records, National Provider Identifier, Medicare data and death records.

D. Provider Management module, to store all Provider information and to support operational processes that involve maintenance of Provider information. Provider self-service updates to their information are made on the Provider Portal module and are received as events by the Provider Management module and processed. The Provider Management module automatically schedules and performs (via the Screening Service) regular verifications of appropriate licensure, certification, and other authority to support participation criteria and requirements. This module contains a configurable workflow to schedule, initiate, and process Provider revalidations, including pre-populating the enrollment wizard form with current Provider information and notifying the Provider to take action to revalidate.

Implementation Project scope consists of the following areas of work:

E. Custom interface from the Provider Management module to the State's MMIS Advanced Information Management (AIM) system for AIM to receive Provider information updates. This interface will enable continued claims processing, financial processing, and other operational business processes within AIM and associated systems.

F. Custom interface to existing Contractor-managed Microsoft Directory Services, to provide required user authentication and authorization by Providers, State users, and Contractor users to access Provider on-line features.

G. Custom interface to an existing Enterprise Content Management (ECM) System – either the Contractor's existing OnDemand system or a State Enterprise Content Management System.

H. A one-time Conversion and migration of Provider information, from the AIM system database into the Provider Management module.

I. Training and onboarding of users of the Solution. This includes online systems access for Providers, State program staff, and Contractor operations staff.

J. Implementation Project management deliverables and work result artifacts.

K. Project management activities and deliverables, to deliver timely CMS Certification of the Solution.

2.2 MITA Requirements Alignment

The following table represents the scope of work, relative to Medicaid Enterprise Certification Toolkit (MECT) 2.2, MMIS Module Certification Checklist for Provider Management Checklist and Provider-related items from the Eligibility and Enrollment Management MITA Checklist. For certification activities, the Contractor will utilize latest versions of the Provider Management Checklist, Eligibility and Enrollment Management Checklists, the five (5) Common Checklists (Access and Delivery, Information Architecture, Standards and Conditions, Intermediary and Interface, and Integration and Utility), and any other applicable MECT checklists and certification materials, as agreed to with the State and CMS.

Reference #	Systems Review Criteria	Included in Scope of Project?
CSF PR2: State ensures quality of provider network and accuracy of payment arrangement.		
PL.PR2.1	The system maintains multiple provider specific reimbursement rates with begin and end dates, consistent with State policy. Examples include: per diems, level-of-care per diems, case mix, percentage-of-charge rates, rates based on level of care, preferred provider agreements, managed care agreements, volume purchase contracts, or other cost-containment initiatives with begin and end effective dates.	Yes
PM.PR2.1	SMA tracks and supports the screening of applications (and ongoing provider updates) for (National Provider Identifier (NPIs), State licenses, Specialty Board certification as appropriate, review team visits when necessary, and any other State and/or Federal Requirement.	Yes
PM.PR2.2	The system tracks and supports any established provider review schedule to ensure providers continue to meet program eligibility requirements.	Yes
PM.PR2.3	The system verifies provider eligibility in support of other system processes, i.e. payment of claims.	Yes
PM.PR2.4	The system captures clinical laboratory improvement amendments (CLIA) certification information and the specific procedures each laboratory is authorized to cover. Links the information for use in claims adjudication.	Yes

PM.PR2.5	The system cross-references license and sanction information with other State or federal agencies.	Yes
PM.PR2.6	The system generates notices to providers of expiring Medicaid agreements and/or State licenses.	Yes
PM.PR2.7	The system maintains the capability to limit billing and providers to certain benefit plans, services, by procedure codes, ranges of procedure codes, member age or by provider type(s) or as otherwise directed by the State.	Yes
PM.PR2.8	SMA ensures all end dates are linked, so they can be synchronized to the servicing location State licenses or other licenses as directed by the State.	Yes
PM.PR2.9	The system supports automated criminal background checks for all providers as specified by the State.	Yes
CSF PR3: State maintains provider information for use in processing transactions.		
PM.PR3.1	The State plan must provide for the identification of providers by Employer identification number unless the provider is in solo practice or the provider is not in solo practice but billing is by the individual practitioner in which case the identification is by social security number.	Yes
PM.PR3.10	The system maintains a flag for providers who are eligible to use electronic funds transfer (eft) and electronic claims submission.	Yes
PM.PR3.2	The Medicaid Agency must demonstrate how the system identifies health care providers using the standard unique National Provider Identifier (NPI). The NPI is a 10-position numeric identifier, with a check digit in the 10th position, and no intelligence about the health care provider in the number. (b) Required and permitted uses for the NPI. (1) The NPI must be used as Stated in § 162.410, § 162.412, and § 162.414. (2) The NPI may be used for any other lawful purpose.	Yes
PM.PR3.3	The system accepts, validates, and processes transactions or user entries to update and maintain provider information.	Yes

PM.PR3.4	The system tracks and controls the process of reconciliation of errors in transactions that are intended to update provider information.	Yes
PM.PR3.5	The system maintains current and historical multiple address capabilities for providers.	Yes
PM.PR3.6	The system maintains an audit trail of all updates to the provider data, for a time period specified by the State.	Yes
PM.PR3.7	The system maintains providers' drug enforcement administration (DEA) numbers.	Yes
PM.PR3.8	The system provides capability to do mass updates to provider information, based on flexible selection criteria.	Mass data updates are controlled and performed by Contractor IT team through existing service request procedures at no additional cost to the state
PM.PR3.9	The system maintains indicators to identify providers that are fee-for-service (FFS), managed care organization (MCO) network only, and other State health care program participants.	Yes
Business Process: Determine Provider Eligibility		
EE.CM23.2	SMA receives and processes provider eligibility data from MMIS or data repository for PCP program.	Yes
Business Process: Disenroll Provider		
EE.PR1.1	The system produces notices to applicants of pending status, approval, or rejection of their applications.	Yes
Business Process: Enroll Provider		
EE.CM14.1	The system identifies physicians who have agreed to provide gatekeeper services, geographic location(s), number of assigned Members, and capacity to accept additional patients.	Yes
EE.CM26.1	The system prevents enrollment of entities and individuals who do not meet the provider qualifications contained in the provider agreement.	Yes
EE.CM26.2	The system prohibits enrollment of providers affiliated with individuals debarred by State or Federal Agencies, listed in Abuse Registries, or otherwise unqualified to provide service.	Yes

2.3 Technical Solution Summary

The Solution fulfills CMS Standard and Conditions and other relevant technical requirements as identified by MITA, and as outlined by the descriptions in the following table.

Modularity, MITA Conditions	Solution is comprised of self-contained modules built on a Service Oriented Architecture (SOA) for Provider Portal, Provider Management, and Screening Service. Modules are uncoupled from other aspects of MMIS systems and exist as stand-alone applications that run with their own databases. Each module executes within the SOA environment to send and receive information to other modules and systems. Business process workflows such as enrolling a Provider, may span multiple modules to accomplish the business result.
Modularity	Reusable Commercial Off the Shelf (COTS) and open source software components are implemented for rules, workflow, reporting services (MS SRSS), address validation (AddressDoctor), caching and event distribution (Redis), database management (MS SQL), and infrastructure and hosting technologies.
Sharing, Leverage, Re-use	Periodic software releases of modules and updates to third party components, shall become available through the software as a service model, at no additional cost to the State. Facilitated multi-state collaboration will occur to influence future Solution features.
Modularity, Business Results	Solution utilizes a commercial third-party rules engine (InRule) to develop rules vocabularies, to develop and maintain human readable business rules, to test rules changes (using irVerify test tool), and to promote rules changes using a version control system. Along with commercial workflow automation technology (K2), the solution enables repeatable, consistent, and measurable business processes.
Modularity, Leverage, Re-use	Modules are table-driven and are configurable in many different ways to be defined for national standards while supporting State-specific needs, while minimizing modifications to application programs. Business rules, allowed values for Provider information, notifications, and other types of configuration are maintained separately from application code. The configurable modules, along with the shared nature of software as a service, result in a high degree of reuse that CMS associates with the highest MITA maturity levels.
Interoperability	Interoperability between modules and optionally with other State systems, is accomplished through a Service Oriented Architecture (SOA) where event-based messaging occurs for data exchange. In addition to event-based messaging, Open Application Programming Interfaces (APIs) are also available for interfaces with other systems.
Interoperability, Extensibility	Supports transfer of Provider enrollment and related data to other State systems. Existing interfaces from MMIS AIM with other systems remain operational (without need of changes), including TMSIS reporting. And as needed for scope of future State projects, integration with the State Enterprise Service Bus (ESB) shall be supported for publication of Provider data updates and events, for consumption by other State enterprise applications.
Interoperability	Integration, utilizing open APIs, shall be developed and implemented with the

	MMIS AIM system, Enterprise Content Management system, and the MMIS MS Active Directory domain. Existing interfaces involving exchange of Provider data with MMIS AIM remain operational, including data exchange with State reporting and data mart systems.
Reporting	Microsoft SQL Server Reporting Services (SSRS) solution makes visible business and operational data through reporting of Provider management information. The SSRS component allows for extensibility to provide both standard reports and state-specific report queries.
Security and Industry Standards	Solution is compliant with federal and state security, privacy, and accessibility requirements, as well as CMS and HIPAA, ACA, and other standards and requirements as called for in the base contract sections for the Contractor's MMIS systems.
Information Architecture	Solution maintains Providers' data including National Provider Identifier (NPI) and other attributes required for support of all Medicaid Business Processes.
Modularity, MITA	The Contractor utilizes its Enabling Delivery and Global Excellence (EDGE) Process Framework for Systems Development Life Cycle (SDLC) delivery of the Solution including Implementation project technical work management. Within the Implementation project, the Contractor shall align EDGE activities and plans with State project governance processes.

2.4 Scope Assumptions

This section further elaborates on aspects of the Solution and approaches for accomplishing the Project work identified in above sections. The following approach assumptions are the basis for the project work plan ("Project Work Plan") deliverable, scope and associated costs models. If any of these items are determined to be incorrect or invalid, then the resulting impact will be assessed and resolved through the Project's change control process.

Scope of Work Assumptions:

A. The high-level scope of work requirements are identified in Sections 2.1 and 2.2 above.

B. Fiscal agent operations services including Provider Management Services and updated Service Level requirements for Enrollment, are defined in Contract "Attachment A, Specifications of Work to be Performed", "Attachment A, Exhibit 1 – Functional and Technical Requirements", and "Attachment A, Exhibit 2 – Service Level Requirements".

C. Charges related to this Scope of Work are included in "Attachment B – Payment Provisions".

D. The updated contractual service level requirement for Provider enrollment, will become effective 60 calendar days after the go-live date for the Solution. This is to allow time for the transition of in-process paper enrollment applications. The Contractor will data enter these in-process paper applications into the Solution, on behalf of Providers. The Contractor will then use the automated workflow to complete the in-process applications. The Contractor will maintain staffing to accomplish this data entry activity.

Solution and Deliverables Assumptions:

E. No enhancements to features are planned within scope of the Project, beyond the State-specific configuration and interfaces explicitly identified within this Scope of Work.

F. State-specific configurations and user access will be deployed in a cloud hosting environment qualified for government and HIPAA use, for hosting the Contractor's Solution.

G. Integrations between the Solution and other State systems will occur via event-based messaging or via open API web services with a MITA compliant, SOA approach.

H. The Contractor provides, as part of its Solution, remote operations services to provision, monitor, and maintain the virtualized environments and platform services that host the Solution.

I. Test and production versions of environments will be installed for all aspects of the Solution, in support of formal software configuration management and release promotion quality practices. The State will have access to a test environment containing State-specific configurations and interfaces, for purposes of State testing and training.

J. The Provider Management module will be the master "system of record" (i.e. source of data) where Provider records are maintained. A one-time data conversion will occur at time of implementation to migrate existing Provider records into the Provider Management module.

K. Provider Portal module enhanced features for the Project are limited to enabling and integrating online enrollment wizard and Provider data maintenance features. Additional, enhanced online Provider Portal features may be pursued via future projects.

Assumptions Regarding Existing Provider Business Processes and Systems:

L. Provider appeals enhancement is not included in this scope of work; an enhanced appeals module/service may be pursued as a separate project. The Contractor and State will continue to utilize existing processes and tools for support of Provider appeals. (PM.PR1.6)

M. The Contractor, in delivering fiscal agent Provider services, will continue to utilize existing Provider help desk systems, call tracking tools and Provider communication processes (PM.PR1.5). The Solution's SOA interface methods may be utilized for data exchange with future State CRM systems.

N. Features of the existing vtmedicaid.com Provider website will continue to be used, with a URL link on that site for users to access Provider online enrollment and data maintenance features.

O. Directory services (Microsoft Active Directory) hosted by the Contractor will be used to authenticate users, to both the current Provider website as well as the new Provider modules. This will require updates to the secure side of the current vtmedicaid.com website, within scope of work for this project. Existing trading partners will likely need to be given and utilize new authentication information at time of Implementation, to support an improved, single authentication method into both existing and new Provider websites.

P. Current MMIS System (AIM) Provider records will be read-only and will only be updated by the systems interface between Provider Management module and AIM. The AIM data model will be extended to store Provider Management module foreign keys, in order to allow Provider records to be kept in sync between the Solution and the current AIM system. Operations users will use new Provider Management module screens as the primary method of accessing Provider records (rather than AIM screens).

Q. Any new document archival needs for the enhanced Solution will be satisfied, via use of existing Enterprise Content Management Systems (either OnDemand or State specified). The Contractor providing an interface from the Solution to an existing Content Management System, is within the scope of work for this project. Enhancements to the Content Management system or data migrations between systems, are outside the scope of this project.

R. Current MMIS System (AIM) functionality and interfaces with other systems will not be impacted by Project enhancements, except for deprecating the use of existing AIM Provider enrollment screens, AIM Provider maintenance screens, and AIM enrollment-related Provider communications.

Implementation Project Work Assumptions:

S. The State business units will maintain their own operational procedures, including any updates needed due to adoption of the Solution. The Contractor will provide product documentation and other content such as online help and Contractor fiscal agent operations procedures, which may be referenced by and otherwise utilized within State operational procedures.

T. The State will facilitate the Contractor gaining access to State-specific sources of Provider licensure records, and to any other State specific sources of information required to automate the enrollment and screening business process. The schedule for obtaining access will be identified within the Project Work Plan deliverable.

U. Criteria for data migration of Provider records will be agreed upon with the State as part of the Data Conversion Specifications deliverable, including how many years (up to 10 years) of inactive Provider records to migrate to the new system.

V. Experienced Contractor Provider services representatives will participate in the Project, to include performing Provider outreach and training activities for the enhanced Provider-facing software features.

W. Experienced Contractor enrollment operations and publications staff will participate in the Project, including for specifying and reviewing State-required configurations, updating enrollment operational procedures, and participating in training.

X. Experienced Contractor IT systems operations staff will participate in the Project, including for performing AIM data conversion, technology installation activities, and interface technical work.

Y. The Contractor will utilize a Systems (i.e. "Model Office") test environment for testing performed by the Contractor. The Contractor is responsible for providing one (1) User Acceptance test environment for State and Provider testers. The State will perform testing prior to operational readiness reviews.

Z. Testing activities will follow common industry best practices and in compliance with S&C.MS.4 from the Standards and Conditions checklist, and ISO/IEC/IEEE 29119 Software Testing Standards. The Quality Management Plan and Project Management Plan deliverables will fully define the testing methods and practices. The Contractor will develop test planning documentation deliverables to be approved by the State Test Manager role. The Contractor test plans will contain detailed test case scenarios. The State will provide documented test cases to the Contractor for review and feedback, for any testing activities performed by State staff. The State will provide its test results to the Contractor

on a weekly basis for purposes of the Contractor qualifying and remediating issues, and the Contractor will incorporate those results into overall quality and status reporting.

AA. The Solution consists of software modules which include third party software, and the scope of testing for the modules is oriented towards State-specific configurations and integrations. End-to-end test scenarios are defined and performed to ensure business processes and workflows produce expected outcomes. Development and execution of performance tests of the modules comprising the Solution is not included in the scope of work, with exception of measuring response time of custom interface transactions as defined in interface test plan deliverables. Representative performance results for the Solution, produced outside of the project test environments, will be provided for State review as part of the integration test deliverables.

BB. Testing results for Contractor-produced functional test plans will be primarily in the form of pass/fail indication for each expected outcome, as identified in the detailed test case scenarios within the test plan documents. Testing results for technical test plan scenarios in areas such as data conversion and interfaces, will take different forms including analysis of data and log files.

2.5 Certification Requirements

A. The Contractor must participate in and support all planning activities and CMS review presentation associated with federal certification of the MMIS Provider Management Solution. Contractor will ensure that the Solution meets all CMS requirements and performance standards to qualify for the highest eligible Federal Financial Participation (FFP) rate retroactive to the first day of operation.

B. The Contractor will start Provider Management certification preparation work within one month of the project initiation and will continue support for certification activities until CMS certification is received.

C. The Contractor's project Kick-off event agenda will include Planning for CMS Certification as a topic.

D. In conjunction with the State and CMS, the Contractor will determine which of the Medicaid Enterprise Certification Toolkit (MECT) criteria are applicable to the Project and certification effort.

E. The Contractor will meet all MECT criteria applicable to the Solution and will provide written justification for criteria not met, partially met, and/or not applicable. The State will assist the Contractor in providing evidence for "State Medicaid Agency" (SMA) level certification criteria that extend beyond scope of the Project and Solution.

F. Within three (3) months of contract signing, the Contractor will report to the State which of the applicable MECT criteria it already meets, and it will then track and report the status of each criterion through the Project Work Plan.

G. With the State, the Contractor will monitor and report changes in federal laws, policies, or regulations that could impact certification criteria. Changes related to scope, time, or cost, may be implemented subject to the Change Management process.

H. The Contractor will support the State, on an as-needed basis, in discussions with CMS regarding certification related to the Project.

I. The Contractor will develop and execute on required and suggested remediation efforts to achieve certification. Remediation efforts will be resolved within 10 business days or in a timeframe agreed to with the State and CMS.

J. The Contractor will assist the State in preparing certification documents and reports related to the project.

K. The Contractor will assign a certification lead, with prior experience certifying a system, to work directly with the State's certification lead. If a change of personnel occurs for this position, the State must provide approval of the replacement.

L. The Contractor will be responsible for preparing all documentation and examples to demonstrate that all relevant criteria are met and Contractor will address all business functions, performance standards and business model expectations for certification. The Contractor will deliver required system and fiscal agent-related CMS artifacts as listed in the CMS MECT Appendix B Required Artifacts List.

M. The Contractor will adhere to CMS' Standards and Conditions in all Project deliverables.

N. The Contractor will map all Solution configuration items, testing artifacts, training documents, change management artifacts, and other applicable artifacts to the corresponding MITA Business Areas and MITA Business Processes.

O. The Contractor will produce artifacts as required to meet certification in time for the regular progress reports to CMS.

P. The Contractor will produce evidence packets as required to meet certification in time for scheduled certification review with CMS.

Q. The Contractor will create a Certification Plan deliverable. The detailed Certification Plan, will be maintained within the master Project Work Plan deliverable.

R. Implementation Readiness Checklists and Reviews will include Certification Readiness.

S. The Contractor will provide weekly status updates for certification activities.

T. Timely certification of the Solution by CMS is an essential element of the Project. The Solution has significantly reduced value to the State in the event certification is delayed or fails, and as such, Contractor and the State agree to review any material certification failure or delay for root cause and determine cooperatively and in good faith each Party's respective share of responsibility for such failure or delay. Contractor and State agree that the measure of damages (reduced value) to the State in the event certification is delayed or fails is equal to the difference between the total FFP the State could have received if the failure or delay had not occurred and the amount of FFP the State actually receives with respect to the PMM, through the expiration or termination of the Contract. In the event of certification failure or delay, Contractor and State agree that the fees payable under the Contract by the State to the Contractor for maintenance and operation of the PMM shall be reduced by the proportionate share of damages, if any, for which the Contractor is responsible.

2.6 Project Timeline

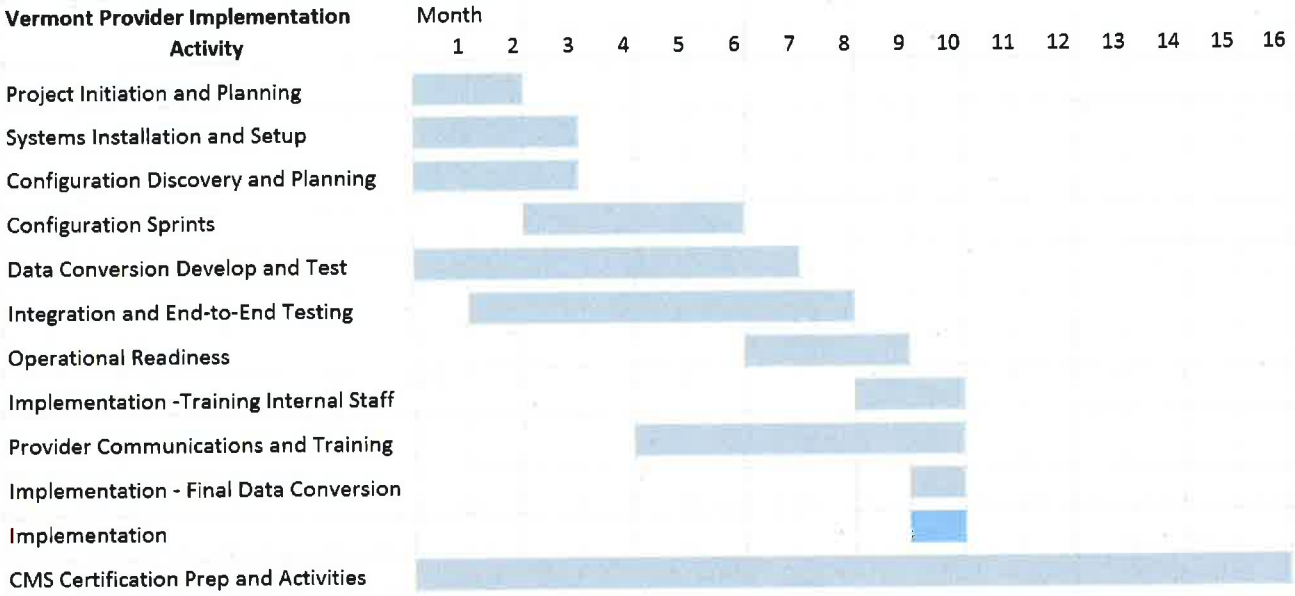
The Project start date will be within 30 calendar days of the execution of Amendment 2. Work tasks for the Contractor will be included in the detailed Project Work Plan. Three primary Project work areas exist with distinct timelines:

1. Implementation Project work, with an expected operational 'go live' date for Solution by 10 months after the project start date. Major work areas are organized into work streams and include Project Initiation and Planning, Installation, Configuration, Conversion, Integration and Testing, Operational Readiness, and Implementation.
2. Certification project work, which overlaps the Implementation Phase and continues until CMS Certification is received. Certification preparation activities and deliverables are managed as a

sub-project, within a section of the master Project Work Plan. Successful CMS Certification shall be secured no later than 480 days after the Project start date.

3. Operations Phase work, which begins when the Solution goes live through the end of the Contract term and consists of providing the improved service levels and maintaining the Solution.

The chart below summarizes the top-level activities and timeline, which will be fully elaborated within the Project Work Plan deliverable.



2.7 Project Deliverables

Delivery of the Solution is tracked through the implementation and certification deliverables below. Deliverable Expectation Documents (DED's) will be delivered for review prior to the deliverables.

Major Activity	Deliverable Description	Responsible Party	Delivery Timing
CMS Initiation	CMS IAPD and Project initiation deliverables and communications	State	Prior to Project inception
Project Initiation and Planning	Project Management (PM) Plan. This is a consolidated Planning deliverable that will include PM responsibilities and methods, issue & risk management and project communications.	Contractor	Day 54
Project Reporting	Project status reports and CMS progress reporting, on a frequency agreed upon by the State. Includes status of implementation and certification activities.	Contractor	Recurring

Major Activity	Deliverable Description	Responsible Party	Delivery Timing
Multiple	Project Work Plan. The detailed Project Work Plan is a project schedule in Microsoft Project document format, that will be used to identify and track tasks, assignments, dates, and dependencies for all in-scope activities including implementation and certification.	Contractor	Day 59
Project Initiation and Planning	Quality Management Plan. This is a consolidated planning deliverable that will include requirements management and elicitation, testing approach, enumeration of testing environments and deliverables, software configuration management methods and tools, defect management, and enumeration of areas of operational readiness reviews.	Contractor	Day 79
Multiple Work Areas – Configuration, Conversion, Technical, Integration and Testing	Testing artifacts – initial version. Artifacts consist of multiple test planning documents for the various technical workstreams (configuration, conversion, integration) which document test cases for the user stories and business areas being tested.	Contractor	Day 162
Configuration	Business Configuration specifications documentation, captures the results of software configurations (including allowed reference data values, business rules, workflow configuration settings, Provider notification language, and other types of SaaS configuration items) for the Solution modules, to meet State business needs.	Contractor	Day 229
Configuration	Solution documentation for software modules. Includes updated on-line help for each online web application and Contractor standard product documentation for software modules.	Contractor	Day 249
Conversion	Data Conversion specifications. This documentation will summarize the approach for the technical data mapping, development, and data migration work for migrating Provider records from the MMIS AIM tables into the Provider Management module table structure. Includes the final result of technical data mapping.	Contractor	Day 204

Major Activity	Deliverable Description	Responsible Party	Delivery Timing
Integration and Testing	Interface and Deployment specifications documentation, is a technical deliverable that captures deployment-level information regarding Solution modules and interfaces.	Contractor	Day 200
Integration and Testing	Testing artifacts– final versions of test cases with pass/fail test results.	Contractor	Day 242
Integration and Testing	The Requirements Traceability Matrix (RTM) shows the relationships between the scope of work requirements (including business and Solution requirements), design artifacts, and verification & validation artifacts and deliverables, such as user stories and test cases. The Contractor will iteratively modify the RTM in response feedback from the State, especially during the Configuration Discovery and Planning major project activity. The mutually agreed-upon final version of the RTM will be accepted by the State.	Contractor	Day 242
Operational Readiness and Implementation	Operational readiness checklists and results. The detailed criteria for readiness to implement, will be identified and status of those items tracked. Implementation work (in the final weeks before go-live) will also be tracked via readiness checklists, such as ensuring training is performed.	Contractor	Day 207
Implementation	Letter of Acceptance to Contractor. This deliverable is a CMS certification requirement.	State	Day 300
Certification	Certification Management Plan. This is a planning deliverable that will identify the approach and summary level activities required to accomplish CMS Certification. Note that in addition, the detailed Project Work Plan deliverable will include a section for managing and reporting on certification tasks.	Contractor	Day 79
Certification	CMS certification checklists, certification deliverables (including samples and evidence). Certification artifacts are produced and captured during the Implementation Project as well as post-implementation.	Contractor and State	Various, collected throughout project

Major Activity	Deliverable Description	Responsible Party	Delivery Timing
Certification	Certification request to CMS	State	TBD
Certification	Certification Acceptance	CMS	No later than Day 480

2.8 Project Activity Summary

The following table provides highlights of key project activities. This represents only a partial list; the detailed Work Plan deliverable will provide a fully elaborated list of activities and underlying tasks.

Major Activity or Phase	Activity	Description/Purpose
Project Initiation & Planning	Pre-Kickoff	Preparation work occurring between time of contract signature and the Project kickoff meeting
Project Initiation & Planning	Project Management Deliverables	Drafting project methods and approach documents including the Project Management Plan and Quality Management Plan
Installation	Install test environments	Initial cloud server provisioning and software installations, to support subsequent technical work
Configuration	Configuration Discovery and Planning	Configuration – Configuration Discovery and Planning The State and the Contractor shall engage in a Discovery Phase collaboration to identify and document State-specific requirements for the solution. The specifications that result from this analysis process will become part of the Solution's requirements traceability matrix (RTM).
Configuration	Configuration Sprints	An iterative approach will be taken, to making State-specific updates to the Solution. Work will begin with a proven baseline configuration, and incrementally updating and testing defined changes to various areas of configuration.
Conversion	Data Mapping	Performing source-to-target mapping of Provider information, in collaboration with the State, to define how Provider records will be migrated into the Provider Management module

Major Activity or Phase	Activity	Description/Purpose
Integration and Testing	Custom Interface Development	Design, development, and testing of interfaces between the Solution and existing systems
Integration and Testing	Integration and End-to-End Test Execution	Final testing of workflows and features incorporating all configuration updates, converted data, and interfaces
Operational Readiness Assessment	Readiness Assessment Results	Review of all readiness checklists for ensuring completion of work across all areas of work – systems & security, Solution quality, etc. Represents an explicit decision to proceed with implementation activities. Note additional readiness review occurs during implementation work (after the 'go/no-go' decision), such as confirming completion of training.
Implementation	Training	Training of Providers, State, and Contractor staff. Training events and artifacts will be identified in the detailed work plan as well as by Readiness Checklist artifacts.
Implementation	Final Data Conversion	Migration of Provider records from AIM into the new Provider Management module
Certification	Certification planning	Defining the schedule, assignments, work outputs, establishing the document repository
Certification	Certification artifacts and work products	Gather evidence and produce documentation required for certification back to day 1 of go-live

2.9 Project Management Responsibilities

The State will appoint a leader to act as State Project Manager for the Implementation and Certification Project phases. The Contractor will appoint, subject to State review, an experienced implementation leader to perform the role of Contractor Project Manager. State Project leadership and stakeholders may include third party vendor support and may include additional State leadership roles not represented below. Contractor Project management may include delegation to multiple project leadership roles not represented below.

Either Party may change their respective lead Project Manager for another of equivalent experience and seniority, by giving the other Party ten (10) business days prior notice in writing. Any proposed change to Contractor's Project Manager, shall be subject to State's advanced approval, which shall not be unreasonably withheld, conditioned or delayed.

The following table sets out the separation of responsibilities between the State and Contractor Project Managers.

Responsibility	Responsible Party
Budgets/Funding/Acceptance	
• Obtain Authorized Funding/Budget	State Leadership
• Review and Accept Project Deliverables	State Project Manager and assigned delegates
• Change Management Approval (Scope/Budget)	Joint - State and Contractor Leadership, and CMS as needed
Schedules	
• Planning	Contractor Project Manager
• Planning Support, including for State assignees and tasks	State Project Manager
• Track and Update	Contractor Project Manager
• Monitor	State Project Manager
Issues and Risks	
• Identify	Any project role - Contractor or State
• Track and Report	Contractor Project Manager
• Resolve State Issues	State Project Manager
• Resolve Contractor Issues	Contractor Project Manager
Changes of Scope	
• Identify	Any - project team or stakeholders
• Track/Report	Contractor Project Manager
• Approve	State Leaders (via Change Control Processes)
Deliverables	

Responsibility	Responsible Party
• Define Acceptance Criteria	Joint – State and Contractor Managers
• Track Status	Contractor Project Manager
• Review for Quality	Contractor and State project team (assigned reviewers)
• Present for Acceptance	Contractor Project Manager
• Approval and Sign-off	State Project Manager or assigned delegates
Methodology & Management Procedures	
• Technical Software and Service Delivery Methods	Contractor Project Manager
• Monitoring	Contractor Project Manager
• Project Change Management Process	Joint – State and Contractor Project Managers
• Provider Communications and Outreach Methods	State and Contractor Provider Services Managers (review and accept Project approach)
Status and Progress Reports	
• Collect Information	Contractor Project Manager
• Review and Monitor	State Project Manager
• CMS Progress Reporting	Contractor Project Manager

The following table sets out the staffing for the project:

DXC PMM Project Role	Project Estimated Effort (hours)
Implementation Manager	1760
Implementation project management staff	3200
Certification Leader and certification analyst staff	6240
Provider Configuration Leader and configuration specialists (one configuration analyst position continues beyond go-live as part of fixed price)	8160
Data conversion technical staff	2400
DXC Product and integration technical implementation staff (leveraged, from DXC healthcare product technical teams)	2400
Technical configuration and release management staff (leveraged, this support for software maintenance and releases continues beyond go-live as part of fixed price)	2160
Developer, Correspondence and reports	1440
Testing lead and staff (in addition to other roles above which also contribute to testing activities)	6400

Cloud Operations staff (leveraged, continues beyond go-live as part of fixed price)	(not effort based, internally billed back to project based on # of environments)
One-time environment and software installation activities	(not effort based, internally billed back to project based on # of environments)

The staffing model above doesn't include effort by existing Vermont account staff. The following Vermont account staff roles are planned to participate in the project:

- One (1) Systems Business Analyst (assisting with analysis, configuration, testing)
- One (1) Provider Developer (Mary L) assigned to data conversion
- Two (2) developers for 3 months each, assigned to MMIS-side interface work with the new Provider modules
- Existing DXC Provider Services staff, primarily for performing provider-facing activities
- Existing DXC Account Leaders, for governance and coordination with the SoV and DXC PMM project leaders

3.0 Project Management Approach

3.1 Project Planning

Project Management approach will be captured in key project deliverables, including the Project Management Plan and Quality Management Plan. Implementation, conversion, and certification planning activities will help to establish the needed level of detail in the master Project Work Plan deliverable.

3.2 Project Schedule Baseline

This scope of work is the basis for the project activities identified and managed within the detailed Project Work Plan, which will be maintained within the Microsoft Project 2013 scheduling tool. A baseline version of the detailed Work Plan will be established within 45 days of the project start date, after the State has reviewed and accepted the initial version of the Project Work Plan deliverable. Progress reporting will be based upon the agreed baseline dates.

Project change control is required for any event that requires an adjusted baseline of the Project Work Plan. A new baseline will be established only if State leadership (and when needed CMS) formally agree to a change that impacts key project dates, or that adds or subtracts significant new work scope or cost.

3.3 Implementation Method

The Contractor utilizes its proprietary EDGE delivery methodology, which is a comprehensive suite of best practices including agile delivery methods. The work of this Implementation Project, as represented in the detailed Project Work Plan deliverable, is organized into major, overlapping technical work streams: installation, configuration, conversion, integration and testing, and implementation. Certification is also its own work stream which runs for the full duration of the project. Supporting project management activities are also represented in the Work Plan, including operational readiness activities ahead of implementation.

Thus, the implementation Work Plan is following a parallel development approach (which is distinct from waterfall or other phase-based approaches). Each work stream can be thought of as a sub-project with its own tasks, deliverables, and assignments. Dependencies between work streams are explicitly identified within the Project Work Plan as predecessor/successor task relationships. Appropriate delivery best practices are applied to organize and accomplish the deliverables within each work stream. An Agile delivery work pattern is followed where appropriate. Configuration of the Solution for the State can be considered as the primary technical work stream. Configuration work will be performed via Agile Scrum methods as iterative, multi-week sprints.

3.4 Approach to Communication

Project communications requirements will be identified in the Project Management Plan deliverable, as well as in the detailed Project Work Plan. Additional communications planning will occur as needed for certain Project work, such as for Provider training and outreach activities.

Regular Project status reporting will occur on an agreed upon schedule, and regular meetings will be held with State and Contractor Project leaders.

3.5 Approach for Issues and Risk Management

The Project Management Plan will include an agreed upon approach for managing project issues and risks.

Potential issues and risks may be identified by any Project team member or stakeholder. The Contractor Project Manager is responsible for capturing, communicating, and facilitating resolution of all items. Issues needing immediate attention will be brought to the State Project Manager as soon as possible. Issues and risks that are determined to be less time sensitive will be handled via regularly scheduled project events and reports.

Criteria will be established for when Project Managers will escalate to upper level State and Contractor management, for resolving issues and risks.

3.6 Approach for Change Control

Change control is a critical process designed to help ensure the Project's success, through formal assessment of changes to the project's scope of work and timeline. Contractor and State shall comply with the change management requirements, processes and procedures set forth in and developed pursuant to the Contract for this Project.

3.7 Acceptance of Deliverables

Solution work products and deliverables shall be deemed accepted when the State determines that such deliverables meet defined acceptance criteria and the State notifies Contractor in writing of its acceptance. The schedule for all deliverable reviews will be identified and baselined in the Project Work Plan deliverable. The State shall perform an initial review of a deliverable within 10 business days of its initial publication by the Contractor, except where different timing is agreed to within the baselined Project Work Plan deliverable. The Contractor will submit revisions to a deliverable within 5 business days of receiving State review comments in writing. The State will have up to 5 business additional days from receiving the revised version of the deliverable, to notify the Contractor of its acceptance. Each approved deliverable will be followed by a Deliverable Acceptance Document (DAD) signed by the State and delivered to the Contractor.

Exceptions to the review and acceptance time frames above may be agreed to within the Project Work Plan deliverable, for each deliverable. After the Project Work Plan deliverable is accepted and baselined, exceptions for review timing for each deliverable may be requested and jointly agreed upon, subject to the project's change control process. Should a previously accepted deliverable require further modification in order to meet the overall requirements of the Solution, the update will be subject to the Project's change control process.

The Contractor shall be responsible for ensuring that all deliverables meet the agreed upon requirements of each deliverable. Acceptance criteria will be defined and mutually agreed upon in advance of acceptance, for the deliverables identified in the Project Deliverables section of this attachment. The primary criteria for documentation deliverables, will be agreement to the outlined scope of the document sections. Operational readiness criteria will be defined and mutually agreed upon in advance of operational readiness reviews. Checklist documents will be used to document readiness criteria.

Acceptance shall be based on the requirements for each deliverable and shall not be deemed acceptance of the Solution as a whole. The State agrees to commence acceptance reviews in accordance with the detailed Project Work Plan. The Contractor agrees to provide the State such assistance and advice as the State may reasonably require, at no additional cost.

3.8 Project Completion Criteria

The Project will be completed when all the deliverables have been accepted.

4.0 Software as a Service Warranty

Contractor warrants the following as applying to the Solution, in addition to Warranty Terms in "Attachment D – Other Terms and Conditions":

A. Contractor warrants that each module comprising the Solution delivered under this Contract shall be interoperable with each other to accomplish the requirements for the Solution as defined in this scope of work. The Solution modules will be interoperable with future MITA modules and with other systems, internal and external, through use of open API interfaces.

B. The Solution shall be configured for the purposes specified in this Contract. Further, Contractor is possessed of expert knowledge with respect to the Solution and is aware that the State is relying on Contractor's skill and judgment in providing the Solution;

C. The Solution provided hereunder includes software modules and third-party software at current release levels. The Contractor will keep the Solution current, to within current release levels of the generally available versions of the modules and third-party software that comprise the Solution. Current release level means a supported version of software, within one major release level of the latest generally available version. Minor patch levels to the major release level will be evaluated and prioritized for deployment, based on their relevance and impact.

D. No corrections, modifications, work-arounds or future Solution releases provided by Contractor under the warranty provisions or under maintenance shall degrade the functionality of the Solution, cause any other warranty to be breached, or require the State to acquire additional hardware equipment or software beyond what is identified in this Scope of Work.

5.0 Definition of Terms

A. Configurations, Software Configuration
The Contractor's Solution, which is comprised of software modules, has features and content which is configured by the Contractor to both be operable and to meet the requirements of the State. Examples of software configurations include defining allowed values for Provider information fields, business workflow steps, business rules, letter content, and technical software settings. The activity of configuring the Solution for State use, is referred to as Configuration and is one of the major workstreams of the Implementation Project. Configuration is also an ongoing operations maintenance activity, performed by the Contractor so that the Solution continues to meet State business requirements and policies.

B. Conversion
Provider information from the existing MMIS AIM database, will be converted and migrated into the Solution. The activities of mapping old-to-new fields, developing and testing programs to extract, transform, and load the Provider records, and performing the final data migration at time of Implementation, is referred to as Conversion and is one of the major workstreams of the Implementation Project.

C. Provider Management, Provider Enrollment
Provider Management is a CMS MITA business area and refers to all business processes and related software features necessary to meet those business requirements. The term Provider Enrollment, when used by itself in this SOW attachment, refers to all requirements and features related to enrollment including re-enrollment and revalidation.

D. Solution
Solution is a term specific to this scope of work, meaning the Contractor's software products and modules, underlying hosting, telecommunications, and other technology components which are owned or procured by the Contractor, and delivered and managed by the Contractor, as a software as a service to the State.

E. Module
Module is a term used in CMS MITA architecture, to identify a self-contained software application which realizes Service-Oriented Architecture (SOA) design qualities. The Solution, is deployed as multiple, MITA-compliant software modules.

F. Work Product
Work Product is defined in "Attachment D – Other Terms and Conditions". For purposes of this Scope of Work, Work Product shall include the Configuration and Interface Specifications Documentation as defined in the list of Project deliverables, and shall not include the implemented business and technical configurations that exist within the Software as a Service.

6. By deleting Attachment B, Section 5 A. MMIS Operations beginning on page 60 of 106 of the base agreement and substituting in lieu thereof Section 5:

5. MMIS Operations

A. The following Operational Invoice Payment Schedules depict the maximum amounts payable to the Contractor for MMIS services as set forth in Attachment A, Sections I and II,

to this Contract based on claims processing and drug transaction volume parameters, known as "base services". The Contractor shall invoice the State monthly for 1/12th of the annual amounts listed in the table below:

FIXED PRICE	1/1/17 – 12/31/17	1/1/18-12/31/18	1/1/19-12/31/19	Total Three Year MMIS Cost
Provider Enrollment	$1,546,698.54	$1,569,899.01	$3,097,852.29	$6,214,449.84
Financial Management	$1,036,424.46	$1,051,970.82	$1,117,852.07	$3,206,247.35
Operations Management	$3,264,964.42	$3,313,938.88	$3,521,479.27	$10,100,382.57
Drug Payment Transactions	$583,300.72	$592,050.24	$629,128.27	$1,804,479.23
Plan Management	$1,195,339.85	$1,213,269.94	$1,289,252.79	$3,697,862.58
Provider Management	$697,809.25	$708,276.39	$752,633.26	$2,158,718.89
MES IT Support	$2,216,483.24	$2,249,730.49	$2,390,623.24	$6,856,836.97
MES System	$ 2,829,273.57	$2,871,712.67	$3,051,557.99	$8,752,544.23
Fixed Price Subtotal	**$ 13,370,294.04**	**$13,570,848.44**	**$15,850,379.18**	**$42,791,521.66**
Passthrough				
Postage (estimate only billed as utilized)	$108,000.00	$108,000.00	$108,000.00	**$324,000.00**
Total Annual Spend	**$13,478,294.04**	**$13,678,848.44**	**$15,958,379.18**	**$43,115,521.66**

Optional Years 4 and 5:

Option Year 1/1/2020 - 12/31/2020	Option Year 1/1/2021 - 12/31/2021
$2,672,813.99	$2,687,309.09
$1,114,011.59	$1,122,719.46
$3,509,380.92	$3,536,812.60
$626,966.84	$631,867.64
$1,284,823.45	$1,294,866.50
$750,047.52	$755,910.39
$2,382,410.04	$2,401,032.56
$3,041,074.09	$3,064,845.17
$15,381,528.44	$15,495,363.41
$108,000.00	$108,000.00
$15,489,528.44	**$15,603,363.41**

B. Volume Accounting and Reconciliation

Volume Parameters

VOLUME PARAMETERS	Claims Processing	Drug Transactions	EDI Transactions
High Estimate	**7,500,000**	**4,500,000**	**35,000,000**
Median Estimate	**6,000,000**	**3,500,000**	**25,000,000**
Low Estimate	**4,500,000**	**2,500,000**	**15,000,000**

i. Claim volume accounting and reconciliation of changes in Contractor reimbursement

The following definitions of a claim delineate between claim types, and shall apply to administrative claims processing adjudication counts tracked and reported by the Contractor:

a. For all institutional based services (Hospice (H), Inpatient/Outpatient (I/O), Home Health (Q), Institutional Crossovers (W,X), Nursing Home (N), a claim is a paper document or and EMC (X12N) record of services rendered during a statement period or date range for which there are one or more service, accommodation, HCPCS and/or ancillary codes.

b. For all professional based services (Dental (L), Physician (M), Vision (P), Professional Crossovers (Y), a claim is a line item on paper document or an EMC (X12N) record of services rendered for a service date(s) for which there is a service code.

Financial Adjustment

c. Claim Transactions: The total amount payable each year shall remain fixed unless the claims volume falls outside the estimated parameters for that year. Should the actual claims volume, for a given year, fall outside the estimated parameters, a year-end financial adjustment to the amount payable for operations for that year may be made using the following process:

d. A unit value will be calculated by dividing the Operations Management price for the applicable year by the midpoint claims estimate for that year.

e. If the actual claims volume falls below the low estimate claim parameter, the Contractor shall reimburse the State a portion of the fixed price per the following calculation:

Low Claims Volume Estimate minus **Actual Claims Volume** x 60% of the calculated unit value for the same contract year.

f. If the actual claims volume exceeds the high claims parameter for the contract year, the State will make an additional payment to the Contractor per the following calculation:

Actual Claims Volume minus **High Claims Volume Estimate** x 60% of the calculated unit value for the same contract year.

An adjustment in the fixed price payment to the Contractor for operations shall depend on verification and certification that actual claims volume counts are accurate and consistent with the definition of a claim as set forth in this section B.i.

ii. Drug transaction volume accounting and reconciliation of changes in Contractor reimbursement

The following definition of a drug transaction processing shall apply:

a. The Contractor shall process weekly drug transactions from the State's PBM ("Pharmacy Benefits Manager"). These transactions shall consist of a record of an adjudicated drug claim. Drug transactions are loaded into the MMIS financial cycle and reporting databases so that payments are made to the providers.

Financial Adjustment

b. Drug Transactions: The total amount payable each year shall remain fixed unless the drug transactions volume falls outside the estimated high and low parameters for that year. Should the actual claims volume, for a given year, fall outside the high and low estimated parameters, a year-end financial adjustment to the amount payable for operations for that year may be made using the following process:

c. A unit value will be calculated by dividing the Drug Transactions price for the applicable year by the median drug transactions estimate for that year.

d. If the actual drug transaction volume falls below the low estimate drug transaction parameter, the Contractor shall reimburse the State a portion of the fixed price per the following calculation:

Low Drug Transactions Volume Estimate minus **Actual Drug Transactions Volume** x 60% of the calculated unit value for the same contract year.

e. If the actual drug transactions volume exceeds the high estimate drug transactions parameter for the contract year, the State will make an additional payment to the Contractor per the following calculation:

Actual Drug Transactions minus **High Drug Transactions Volume Estimate** x 60% of the calculated unit value for the same contract year

An adjustment in the fixed price payment to the Contractor for operations shall depend on verification and certification that actual drug transaction counts are accurate and consistent with the definition of a claim as set forth this Section B.ii.

iii. EDI Transaction volume accounting and reconciliation of changes in Contractor reimbursement

The following definition of an EDI transaction shall apply to counts tracked and reported by the Contractor:

Transaction	Guideline
837 transactions	Counts are based on the number of CLM segments.
835 transactions	Counts are based on the number of CLP segments.
834 transactions	Counts are based on the number of INS segments.
820 transactions	Counts are based on the number of 2100B: ENT for members. For organizations the count is based on 2100A: ENT
270 Batch transactions	Counts are based on the number of 2100C:NM1 name segments.
271 Batch transactions	Counts are based on the number of 2100C:NM1 name segments.
270 Interactive transactions	Counts are by transaction, as each 270-interactive transaction contains only 1 member.
271 Interactive transactions	Counts are by transaction, as each 270-interactive transaction contains only 1 member.
276 Batch transactions	Counts are based on the number of 2200D: TRN claim status tracking number segments.
277 Batch transactions	Counts are based on the number of 2200D: TRN claim status tracking number segments.
276 Interactive transactions	Counts are by transaction, as each 276-interactive transaction in contains only 1 claim status request.
277 Interactive transactions	Counts are by transaction, as each 276-interactive transaction in contains only 1 claim status response.
278 transactions	Counts are based on the number of ST segments.
999 transactions	Counts are based on the number of 999 response files.
TA1 transactions	Counts are based on the number of TA1 response files.
277CA transactions	Counts are based on the number of 2200D: TRN claim status tracking number segments
277U transactions	Counts are based on the number of 2100D NM1 name segments. If the count is less than 1, then the count is based on the number of 2200D TRN segments in the transaction set.
HTML report (Readable acknowledgement)	Counts are based on the number of 999 response files (source for HTML file).
824 transactions	Counts are based on the number of 2000: QTY01 Quantity segments.
Payer Initiated Eligibility/Benefit (PIE) Transaction (X279A1)	Counts are based on the number of members records in batch file

Financial Adjustment

a. EDI Transactions: The total amount payable each year shall remain fixed unless the EDI transactions volume falls outside the estimated high and low parameters for that year. Should the actual EDI transaction volume, for a given year, fall outside the high and low estimated parameters, a year-end

financial adjustment to the amount payable for operations for that year may be made using the following process:

b. The unit value will be set at 0.0004 per transaction.

c. If the actual EDI transaction volume falls below the low estimate drug transaction parameter, the Contractor shall reimburse the State a portion of the fixed price per the following calculation:

Low EDI Transactions Volume Estimate minus **Actual EDI Transactions Volume** x the unit value.

d. If the actual EDI transactions volume exceeds the high estimate EDI transactions parameter for the contract year, the State will make an additional payment to the Contractor per the following calculation:

Actual EDI Transactions minus **High EDI Transactions Volume Estimate** x unit value.

An adjustment in the fixed price payment to the Contractor for operations shall depend on verification and certification that actual EDI transaction counts are accurate and consistent with the definition of a claim as set forth this Section B.iii

C. Postage

The State and the Contractor agree with the following reimbursement of postage:

a. Postage fulfillment is provided by the third-party shipping agents or US Postal Service;
b. The Contractor is acting in an agent role for postage fulfillment;
c. The Contractor is not liable for non-delivery except as a result of mislabeling of material by Contractor;
d. The Contractor will be paid for its services, including postage, for non-delivery by third parties or the US Postal Service;
e. The Contractor will be paid for any reshipments/second mailings required due to miss-delivery by third parties; and
f. The Contractor will invoice postage as a separate line item on monthly invoices for regular fixed and variable fees.

7. By deleting Attachment B, Section 13 (Total Budget) beginning on page 70 of 106 of the base agreement and substituting in lieu thereof the following Section 13:

13. Total Budget

Total Budget 01/01/2017 – 12/31/2019	
MMIS Operations 3-years cost (includes postage)	$43,115,521.66
Ad Hoc	$500,000.00
Incentive Payments ($160,000 max per year)	$480,000.00
Provider 6028 Project: Completed	$2,795.14
MAPIR Core Development	$648,345.00
MAPIR Integration/Customization: 1,540 hours*	$554,400.00
All Payer Model: Completed, 971.25 hours	$117,142.46
Medicare Card Project – 752 hours*	$90,699.00

Technology Updates – EDI	**$350,000.00**
Technology Updates – CM Platform: 1,958 hours*	**236,166.00**
TMSIS Enhancement – 5,095 hours*	**614,507.00**
Presumptive Eligibility – 500 hours*	**$32,082.00**
Medicare Grant Project	**$13,200.00**
Provider Services Enhancement Project	**$3,022,826.00**
Total Budget	**$49,777,684.26**

*As of December 21, 2017, project hours are based on an estimated average of $120.61 per hour, to vary depending on the CPI rate as described in Section 9 of this Attachment B.

8. By deleting Attachment C (Standard State Provisions for Contracts and Grants) beginning on page 71 of 106 of the base agreement and substituting in lieu thereof the Attachment C (revision date Dec. 15, 2017) beginning on page 46 of this Amendment 2.

9. By deleting Section 17 of Attachment D (Other Terms and Conditions) beginning on page 87 of 106 of the base agreement and substituting in lieu thereof the following:

17. MODIFICATIONS TO ATTACHMENT C

17.1.By deleting Attachment C, Section 3 "Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial" and substituting in lieu thereof the following Section 3:

This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that if required by law, it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under the Agreement.

Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

17.2 The third paragraph of Attachment C, Section 7, "Defense and Indemnity", is hereby deleted and replaced to read as follows:

The Party shall indemnify the State and its officers and employees to the extent that the State, its officers or employees become legally obligated to pay any damages or losses arising from any third-party claims caused by the act or omission of the Party or an agent of the Party in connection with the performance of this Agreement. In no event shall the Party be responsible for the acts or omissions of the State or agents of the State in connection with Party's performance of this Agreement.

17.3 With respect to Attachment C, Section 31, "Federal Requirements Pertaining to Grants and Subrecipient Agreements", the State acknowledges and agrees that this Agreement is not a Grant funded in whole or in part by federal funds.

17.4 By deleting Attachment C, Section 13, "Records Available for Audit", and substituting in lieu thereof the following Section 13:

13. Records Available for Audit: The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for six years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government to verify the accuracy of the Party's invoices, confirm its performance under this Contract, or for any other reason as required by state or federal law. If any litigation, claim, or audit is started before the expiration of the six-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

17.5 By deleting Attachment C, Section 15, "Set Off", and substituting in lieu thereof the following Section 15:

15. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided in 32 V.S.A § 3113. The Party may seek recoupment of any sums set off hereunder other than amounts due the State of Vermont as taxes, pursuant to the informal dispute resolution process set forth herein.

17.6 By deleting Attachment C, Section 25, "Force Majeure", and substituting in lieu thereof the following Section 25:

25. Force Majeure. Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or partially caused by acts, circumstances or events beyond its reasonable control (excluding strikes or lock-outs) that prevent or delay the non-performing party from complying with any of its obligations under this Agreement ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

17.7 By deleting Attachment C, Section 27, "Termination", and substituting in lieu thereof the following Section 27:

Section 27: Termination: In addition to any right of the State to terminate for convenience, the State may terminate this Agreement as follows:

A. Non-Appropriation: If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this

Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the event federal funds required to fund this contract become unavailable or reduced, the State may suspend or cancel this contract immediately, and the State shall have no obligation to pay Party from State revenues. The State shall make good faith efforts to provide Party with as much notice as is reasonably possible prior to terminating this Agreement for non-appropriation in whole or in part. In the event of a termination for non-appropriation, State shall pay Contractor through the date of termination for all Services in accordance with Attachment B.

B. Termination for Cause: Either party may terminate this Agreement if (i) a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice; or (ii) the parties have agreed to a reasonable plan to cure and the breaching Party fails to prosecute the plan to completion.

C. Termination Assistance. Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take reasonable and prudent measures to facilitate any transition required by the State in accordance with the agreed Turnover Plan. All State property, tangible and intangible, shall be returned to the State at no additional cost to the State in a format acceptable to the State, or destroyed where mutually agreed upon.

17.8 By deleting Attachment C, Section 29, "No Implied Waiver of Remedies", and substituting in lieu thereof the following Section 29:

29. No Implied Waiver of Remedies: A party's delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

10. Taxes Due to the State.

Contractor further certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, the Contractor is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont.

11. Certification Regarding Suspension or Debarment.

Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: http://bgs.vermont.gov/purchasing-contracting/debarment.

12. **Child Support**
(Applicable to natural persons only; not applicable to corporations, partnerships or LLCs):

Contractor is under no obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order as of the date of this amendment.

This amendment consists of 52 pages. Except as modified by this amendment and any previous amendments, all provisions of this contract, (#35485) dated January 1, 2017 shall remain unchanged and in full force and effect.

STATE OF VERMONT
DEPARTMENT OF VERMONT HEALTH ACCESS

e-Signed by Cory Gustafson on 2018-05-04 19:08:51 GMT May 04, 2018

CORY GUSTAFSON, COMMISSIONER DATE
NOB 1 South, 280 State Drive
Waterbury, VT 05671-1010
Phone: 802-241-0239
Email: Cory.Gustafson@vermont.gov

CONTRACTOR
DXC ENTERPRISE SERVICES LLC

e-Signed by John McCabe on 2018-05-04 14:33:29 GMT May 04, 2018

JOHN MCCABE, VP & GM DATE
22 Colby Ave.
Rye, NY 10580
Phone: 703-231-2957
Email: john.mccabe@dxc.com

ATTACHMENT C: STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS
REVISED DECEMBER 15, 2017

1. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. "Agreement" shall mean the specific contract or grant to which this form is attached.

2. **Entire Agreement:** This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

3. **Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial:** This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement. Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

4. **Sovereign Immunity:** The State reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State's immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State's entry into this Agreement.

5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

6. **Independence:** The Party will act in an independent capacity and not as officers or employees of the State.

7. **Defense and Indemnity:** The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.

After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party or any third party.

8. Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

$1,000,000 Each Occurrence

$2,000,000 General Aggregate

$1,000,000 Products/Completed Operations Aggregate

$1,000,000 Personal & Advertising Injury

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than $500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than $1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

9. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

10. **False Claims Act:** The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

11. **Whistleblower Protections:** The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

12. **Location of State Data:** No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside the continental United States, except with the express written permission of the State.

13. **Records Available for Audit:** The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

14. **Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with

Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

15. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

16. Taxes Due to the State:

A. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

B. Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

C. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.

D. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18. Child Support: (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, he/she:

A. is not under any obligation to pay child support; or

B. is under such an obligation and is in good standing with respect to that obligation; or

C. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

19. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of $250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional

required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Location of State Data"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 30 ("State Facilities"); and Section 32.A ("Certification Regarding Use of State Funds").

20. No Gifts or Gratuities: Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

21. Copies: Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

22. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: http://bgs.vermont.gov/purchasing/debarment

23. Conflict of Interest: Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

24. Confidentiality: Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

25. Force Majeure: Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

26. Marketing: Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

27. Termination:

A. **Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.

B. **Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice.

C. **Termination Assistance:** Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

28. **Continuity of Performance:** In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

29. **No Implied Waiver of Remedies:** Either party's delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

30. **State Facilities:** If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

31. **Requirements Pertaining Only to Federal Grants and Subrecipient Agreements:** If this Agreement is a grant that is funded in whole or in part by Federal funds:

A. **Requirement to Have a Single Audit:** The Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends $500,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends $750,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

B. **Internal Controls:** In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and

the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

C. **Mandatory Disclosures:** In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

32. Requirements Pertaining Only to State-Funded Grants:

A. **Certification Regarding Use of State Funds:** If Party is an employer and this Agreement is a State-funded grant in excess of $1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

B. **Good Standing Certification (Act 154 of 2016):** If this Agreement is a State-funded grant, Party hereby represents: (i) that it has signed and provided to the State the form prescribed by the Secretary of Administration for purposes of certifying that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets, or otherwise explaining the circumstances surrounding the inability to so certify, and (ii) that it will comply with the requirements stated therein.

(End of Standard Provisions)